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TAGS: PGOV PHUM KDEM VE

SUBJECT: VENEZUELAN GOVERNORS: ELECTIONS, POLLS, AND HEALTH

CARE

Classified By: Political Counselor Abelardo A. Arias for reason 1.4 (d)

SUMMARY

- (C) President Chavez, though buoyed by the spread of benefits and end of year spending, will likely suffer a hard drop in popularity when the National Electoral Council (CNE) announces a referendum, a group of Venezuelan Governors told the Ambassador January 14. The four Governors (including metro Caracas Mayor Alfredo Pena) also commented on the irony of the opposition appearing to be anti-elections when it was seeking to keep the focus on the referendum and away from regional elections. The Venezuelan leaders also commented on President Chavez's attempt to use international reserves for programs and the status of Cuban doctors in the country. End Summary.
- U) The Ambassador hosted a dinner January 14 to discuss Venezuela's political situation with Governor Didalco Bolivar (MAS -- Aragua State and an ally of Chavez), Governor Eduardo Lapi (Convergencia -- Yaracuy State), Luis Lippa (Alianza Civica -- Apure State), and Mayor Alfredo Pena (Independent -- Caracas). Governor Enrique Mendoza (COPEI -- Miranda State) accepted, but was unable to attend. DCM and PolCouns accompanied the Ambassador.

What About Chavez?

- 13. (C) Bolivar said President Chavez has three options: accept a referendum, go for a constitutional amendment, or resign. He asserted that Chavez will not accept a referendum. Lapi commented that even he would resign if faced with a referendum because the office holder is running against himself. Caracas Mayor Pena called the idea of Chavez pushing for a constitutional amendment a non-starter. The people, he said, would not accept having their "voice," i.e., the recall referendum, taken away from them. Pena also ruled out the possibility of Chavez resigning. There would be immediate chaos, he asserted, with Chavez supporters quickly jumping ship.
- 14. (C) Alluding to public comments by opposition leaders that regional elections affect the referendum negatively for the opposition, the Venezuelan leaders commented on the irony of the opposition appearing not to want elections. Lapi defended the comments, saying the point is that the focus should be on the referendum. Of course the opposition should should be on the referencum. Of course the opposition register candidates and prepare to compete, he told the group, and they will do so. Apure Governor Lippa noted that the comments were another indication that the "center" is out of touch with the regions. Using his situation, where Accion Democratica (his old party) still supports his rival, Lippa said Caracas leaders want to impose candidates without relation to the possible support or popularity they may enjoy. Bolivar added that even Chavez's Fifth Republic Movement (MVR) suffers from it. The only difference, the Aragua Governor noted, is that in AD and COPEI, a group decides and in the MVR it's one person.

Poll numbers

15. (C) Regarding Chavez's standing in the polls, Yaracuy Governor Lapi predicted that the President's numbers would decline immediately after the National Electoral Council (CNE) declares that there will be a referendum. He speculated that the drop could be as much as 10 percentage points, i.e. to about 30%. Aragua Governor Bolivar noted that once the CNE makes the declaration, Chavez becomes a lame duck. Repeating Mayor Pena's observation about the effect of a Chavez resignation, Bolivar said Chavez supporters would quickly begin to jump ship. He observed that Chavez rose in the polls through the spreading of benefits and end-of-year bonuses, but noted that support is not permanent. Lapi recounted some of his experiences with populist opponents and noted that "people want more than handouts." Politically, they only go so far, he said.

The Signatures

16. (C) The guests concurred that the number of signatures collected by the opposition to petition for a recall referendum against President Chavez is real. Chavez, they agreed, did what he could to limit opposition efforts. In Apure, Lippa commented, even the Bolivarian Liberation Force (FBL), an armed group believed to be promoted by Chavez supporters, intimidated people. Bolivar told the group that Chavez learned too late how bad things were going for him with the opposition signature drive. His political command deceived him, Bolivar reported, and after second day he learned from military officers the true status of things. Because of this delay, the closing of airports and other efforts to impede the petition drive had less effect. Lapi commented that Chavez supporters -- who Bolivar described as hard-core believers in Chavez's revolution -- could not help but see striking difference between their signature drive a week before and the opposition effort. By the second day, Lapi said, they were getting along with opposition, and not only that, they were continuing to do so now. Bolivar noted that this experience has convinced all that the opposition has collected enough signatures for a recall.

Central Bank Billion

17. Addressing President Chavez's push to get the Central Bank of Venezuela to make available \$1 billion from the country's international reserves for the agricultural sector, Aragua's Bolivar asserted that Chavez will get the money. He added, however, that the President does not really want the money per se. What he wants is control of the bank, he said. Pena noted that the people see the issue in simple terms: There are \$21 billion sitting there idle, why not use some of it for the "benefit" of the country? Lapi pointed out that for much of the Chavez audience, there is no understanding of the inflationary impact that acquiescing to Chavez's demand would have.

Cuban Doctors/Health Care

18. (C) The Governors and Pena concurred that the Cuban doctors brought by Chavez are providing a service to Venezuela. Each noted having found ways to work with them. Pena noted, however, that the real problem is that the national government is seeking to change how Venezuela's health-care system operates. He and Lippa pointed out that the government is demanding that 60% of the money destined to the states for the health sector be used for the Cuban doctors, leaving them without adequate resources to operate existing hospitals and clinics under their jurisdiction. The force behind the revolutionary changes, they said, is Health Minister Roger Capella, who has long-standing sympathies with the Cuban system.

COMMENT

19. (C) With this latest of regular conversations over dinner at the Residence, the Governors once again provided interesting insights into various hot topics of the day. That Chavez may lose support quickly is speculation that merits further watching, not only for electoral possibilities, but also for how it may provoke other reactions. Lapi (Yaracuy) and Bolivar (Aragua) are certain to be nominated by the opposition and the Chavistas respectively and almost certain to be reelected. Lippa (Apure) is confident he can be reelected, but AD is promoting another candidate. (Lippa broke away from AD and formed his own party.) Pena is in dire shape with only 12% support in Metro Caracas and MVR gunning for him. SHAPIRO

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